

Moultonborough
2009-2010 School Budget
Recommendations and Comments



Advisory Budget Committee

Tuesday, January 13th, 2009

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To the Members of the School Board, Superintendent
Moultonborough School District
Moultonborough, New Hampshire 03254

The Moultonborough Advisory Budget Committee (ABC) would like to thank the Moultonborough School Board and the Superintendent's office for their professionalism, cooperation and responsiveness during our budget review.

ABC APPROACH:

The ABC has completed its' review of the 2010 Proposed School Budget.

To gain an understanding of the current environment, opportunities and challenges faced by the staff, administration and student population the ABC scope review included touring the current facilities of the Moultonborough Central School (MCS) and the Moultonborough Academy (MA). The ABC then interviewed the District Superintendent and School Business Manager.

Our scope further included review of:

- The Collective Bargaining Agreement currently in effect,
- Various operating contracts, i.e. transportation, fuel, facilities.
- Current employee benefit offerings,
- Enrollment statistics,
- Current class offerings,
- Related teacher /pupil ratios, and
- All school subcommittee meetings related to the proposed budget including the Building and Grounds Committee, Personal Committee, Technology Committee, Athletic Committee, Transportation Committee minutes and various public School Board Meetings.

OBSERVATIONS & COMMENTS:

Following our review and analysis, the ABC has confidence that the proposed budget, as prepared, is a complete and accurate estimate of the total cost of education for the 09-10 school year.

The ABC has the following observations and comments that the committee believes should be addressed by the Administration and School Board.

School Enrollment

- After review of current enrollment statistics and population trends we concur with the Districts proactive approach of downward adjustment for teaching positions at the elementary level (elimination of one third grade classroom teacher and one preschool special education teacher).

- Upon review of the MA class schedule we found the course offerings and teacher staffing consistent with current population trends. The District proposes reduction of one *special education* paraeducator for grades 7-12. Our committee agrees with this reduction.
- Our committee notes the presence of one foreign language class currently offered with enrollment of one (enrollment included three at start of semester). *We would like to note, for the record, that this is the exception rather than the norm.* Elimination of this class would not have resulted in reduction of cost to the taxpayers.
- We were encouraged by utilization of Distance learning classes for low attendance Advanced Placement (AP) courses. The District should continue to explore and promote “Distance Learning” opportunities in the future.
- Our committee strongly supports the Superintendent’s current efforts to collaborate with Inter Lakes High School on joint efforts for AP and specialized course offerings. The District should continue to explore additional joint offerings that both, maximize quality education, as well as further improve cost effectiveness of staff utilization.
- We equally support the Superintendent’s efforts to open Special Ed programs on a tuition basis to Inter Lakes. We also encourage the District to include participation of other surrounding towns as additional possible sources of revenue.
- The committee would like the District to explore alternatives to providing *Elementary* Education on a tuition basis to surrounding towns also currently experiencing enrollment decline.
- Staffing levels will need continual monitoring and future adjustment as current elementary trends continue their impact to the system.

Instructional Programs

- We would like to commend the efforts of the Elementary School for their innovative approaches in the areas of reading and math education. As noted previously, if enrollment continues to decline at the elementary level, Moultonborough should actively seek tuition based enrollment from surrounding towns. Our impression is the current programs offered at the elementary level serve as a model for other districts and could attract children from surrounding towns.
- The committee proposes the Administration perform a cost benefit analysis of the current operating cost of the Elementary Library and look to operate this function through attrition with a paraprofessional.
- We believe the School Board should review the current staffing levels of paraprofessionals and explore alternatives such as student teachers and or volunteers to reduce cost.
- The Committee believes the amount collectively paid in Co-Curricular Stipends is excessive, especially in light of the policy that these amounts increase the overhead load of all fringe benefits, including but not limited to future retirement benefits. These stipend offerings and related dollar amounts should be commensurate with surrounding areas but only in conjunction with a total benefits package.

Salary & Benefits study

- The District should undergo a competitive analysis (contractual and non contractual positions) of its current “Total Compensation” package including, but not limited to, salary, benefits, stipends, and employee /employer benefit contribution rates. The analysis should be performed on a total compensation basis versus an analysis of the individual components. The analysis should additionally include a review of all position descriptions and competencies required to fill the related positions. Recommended salary for a given position should be the

driving force for compensation, versus the longevity of the person in the position. This analysis should be performed prior to negotiations of the next collective bargaining agreement.

New Initiatives

- Summer Program: The Purpose of this program “... is to provide students with the opportunity to recover lost credit(s) due to academic failure, to demonstrate proficiency in a given/specific course competency or to pursue the opportunity to receive literacy intervention with regard to summer reading expectations or reading deficiencies”. Estimated cost of this initiative is approximately \$8,500. This initiative is supported by the Committee.
- High School paraprofessional for study halls: The District proposes the addition of one regular education paraeducator for grades 7-12. This would allow 6 to 7 teachers to be relieved of study halls and would allow them to supervise small group learning labs. The committee, while supporting the concept of specialized learning labs, does not support the addition of a paraeducator to monitor study halls. (Note; The Administration has removed this cost from the latest proposed budget)
- Expansion of Project Safeguard: Project Safeguard is a one day seminar targeted to Drug and Alcohol education programs for students and parents. The program has successfully been in place at the 7th grade level for several years. The Administration has proposed a follow on to the 7th grade program targeted at grade 11 students and their parents. The committee is in favor of this additional program, however, we feel the proposed venue for the expanded program should be revisited.

Contracts

- Transportation: Currently the District is under contract with “First Student” to operate a fleet of full sized school busses. The District is required to provide bus transportation for all students. Ridership on many of the “runs” at various times of the year is minimal. Our Committee suggests that the current Transportation Sub-Committee explore greater efficiencies with “First Student” based on current and future enrollment trends. Future contracts should contain a modification provision related to declining or increasing enrollment. The Transportation Sub-Committee should attempt to alter its current contract to allow for smaller fuel efficient buses.
- Fuel: We recommend that the current joint purchase contract with the Town and Library continue.
- Grounds Maintenance: Our Committee recommends that the District work with the Town to consolidate grounds maintenance in future years. Currently, the District has entered into a three year contract with Dion’s Plant Place for grounds maintenance.

Buildings Insulation Energy Efficiency

- We encourage follow through of recommendations related to the recently concluded energy audit and proposed Thermo study.

Buildings Electrical/Lighting Efficiency

- Initiate Light Tech study, similar to the one conducted for the Town, and follow through on efficiency recommendations.

Auditorium

- Develop a proactive program to utilize the auditorium as a net “Revenue Generator” as proposed in the request to justify the original project.

Budget Summary:

The proposed school budget for 09-10 represents \$13,826,135 as compared to \$13,569,659 for the prior year. This represents an increase of \$256,476; a 1.89% year-over-year increase.

Of the \$251,254 increase, most is either state-mandated or driven by current contractual agreement:

- Salaries and Benefits account for \$214,569, or 83.7% of the total increase.
- General operating expenses account for \$41,907, or 16.3% of the total increase.

Within Salaries and Benefits:

Total Salaries account for \$104,585, a 1.49% year-over-year increase:

- Teachers Salaries increased 1.12% year-over-year (*lower due to staff reduction*).
- Non-Teacher Salaries increased 2.18 % year-over-year.
- It should be noted that the current collective Bargaining agreement required a 5% increase for the upcoming school year.
- The five School Administrators have generously offered to reduce their respective 09-10 salary increases by 2%. The final salary increase reduction as proposed and voted on by the School Board resulted in a 1% reduction for the five School Administrators. The ABC commends the Administrators for their generous offer.

Total Benefits account for \$109,984, a 4.40% year-over-year increase:

- The largest contributor was \$74,828 for the State Retirement funding requirements.
- The second largest contributor was \$32,683 for increases in Health Insurance. It should be noted that the total health insurance budgeted amount has been reduced by \$31,000 taken from the Self Insurance Reserve.
- Other increases shown in chart below.

The increase in general operating expenses of \$ 41,907 is attributable to an increase in utilities of \$35,600 and transportation \$17,269 (per prearranged bus transport contract). It should also be noted that the 09-10 Special Ed budget has been reduced by \$54,000 from the Special Ed Reserve Fund (Costs related to Special Ed are non-discretionary).

The major comparative components of the budget are indicated below:

Salaries:	08-09	09-10	Variance	%
Teachers *	4,572,989	4,624,074	51,085	1.12
12 month staff	721,613	760,903	39,290	5.44
Para educators	543,579	535,303	-8,276	-1.52
Admin/prof staff	815,639	841,279	25,640	3.14
All other salaries	371,846	368,692	-3,154	-.85
Total Salaries	7,025,666	7,130,251	104,585	1.49
Benefits:	08-09	09-10	Variance	%
Health insurance *	1,255,834	1,288,517	32,683	2.60
FICA *	540,663	546,912	6,249	1.16
NHRS *	443,660	518,488	74,828	16.87
Professional Dev*	114,290	114,610	320	0.28
Other Benefits *	145,649	141,553	-4,096	-2.81
Total Benefits	2,500,096	2,610,080	109,984	4.40
Salaries/Benefits	9,525,762	9,740,331	214,569	2.25
Operating Exp.	08-09	09-10	Variance	%
SPED Prof service*	65,203	88,875	23,672	36.31
SPED Tuition –HS*	196,530	205,253	8,723	4.44
SPED Transport *	50,509	5,450	-45,059	-89.21
Fuel Oil	201,000	228,000	27,000	13.43
Electricity	210,000	218,600	8,600	4.10
Supplies	296,734	278,358	-18,376	-6.19
Text & workbooks	95,472	129,138	33,666	35.26
Comp Hardware	90,951	107,151	16,200	17.81
Other Equipment	101,327	89,698	-11,629	-11.48
Food Ser/Fed Proj	693,013	693,013		.00
Purchased Svcs	319,080	303,915	-15,165	-4.75
Other Transport *	391,660	408,929	17,269	4.41
All OtherExpense	1,332,418	1,329,424	-2,994	-0.22
Total Op Expenses	4,043,897	4,085,804	41,907	1.04
Total Budget	13,569,659	13,826,135	256,476	1.89

(Items marked with * represent either County / State mandates or multi- year contractual agreements)

Conclusion:

We believe that the proposed budget as prepared is a comprehensive and accurate representation of the cost to educate Moultonborough's students for the 09-10 school year.

There are opportunities as outlined above that should be pursued for further future cost improvement. We believe these opportunities can be accomplished without degradation to the high standard of quality education that has become a distinguishing trait of the Town of Moultonborough.

The District should aggressively pursue the initiatives outlined above. We understand that some of the opportunities are influenced by contractual agreements. We anticipate that the School Board and Administration will carefully consider our recommendations as these contracts come up for renewal.

Respectively submitted,

Moultonborough Advisory Budget Committee

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